

Origio A/S

Knardrupvej 2, 2760 Måløv

Company reg. no. 10 97 50 77

Annual report

1 November 2018 - 31 October 2019

The annual report was submitted and approved by the general meeting on 31 March 2020.

Jacob Lindberg Andersen
Chairman of the meeting

Contents

	<u>Page</u>
Reports	
Management's report	1
Independent auditor's report	2
Management's review	
Company data	5
Financial highlights	6
Management's review	7
Annual accounts 1 November 2018 - 31 October 2019	
Income statement	12
Balance sheet	13
Statement of changes in equity	15
Accounting policies used	16
Specifications to the income statement and balance statement	22

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The supervisory board and the executive board have today presented the annual report of Origio A/S for the financial year 1 November 2018 to 31 October 2019.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 October 2019 and of the company's results of its activities in the financial year 1 November 2018 to 31 October 2019.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Måløv, 31 March 2020

Executive board

David Truels Hansen
President, Global Fertility and Genomics

John Joseph Calcagno
Executive Vice President, Finance

Supervisory board

Robert Dave Auerbach
President Cooper Surgical Inc and Chairman of
the board

Randal Louis Golden
Vice President, General Counsel and Secretary

Agostino Ricupati
CAO – SVP Finance and Tax

Brian George Andrews
CFO, The Cooper Companies

Independent auditor's report

To the shareholders of Origio A/S

Auditor's report on the financial statements

Opinion

We have audited the financial statements of Origio A/S for the financial year 1 November 2018 - 31 October 2019 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies,. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 October 2019 and of the results of the Company's operations for the financial year 1 November 2018 - 31 October 2019 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements, unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of financial statement users made on the basis of the financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

- identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not identify any material misstatement in the Management's review.

Report on other legal and regulatory requirements

Non-compliance with VAT legislation

During the period under the audit, the Company has submitted late VAT tax returns to SKAT, thus the management may be financially liable for the VAT legislation non-compliance.

Copenhagen, 31 March 2020

KPMG

State Authorised Public Accountants
Company reg. no. 25 57 81 98

Henrik Kyhnauv

State Authorised Public Accountant
mne40028

Company data

The company

Origio A/S
Knardrupvej 2
2760 Måløv

Phone +45 46 79 02 00
Web site www.origio.com

Company reg. no. 10 97 50 77
Established: 1 July 1987
Domicile: Ballerup
Financial year: 1 November - 31 October

Supervisory board

Robert Dave Auerbach, President Cooper Surgical Inc and Chairman of the board
Randal Louis Golden, Vice President, General Counsel and Secretary
Agostino Ricupati, CAO – SVP Finance and Tax
Brian George Andrews, CFO, The Cooper Companies

Executive board

David Truels Hansen, President, Global Fertility and Genomics
John Joseph Calcagno, Executive Vice President, Finance

Auditors

KPMG Statsautoriseret Revisionspartnerselskab
Dampfærgevej 38
2100 København Ø

Financial highlights

DKK in thousands.	<u>2018/19</u>	<u>2017/18</u>	<u>2016/17</u>	<u>2015/16</u>	<u>2014/15</u>
Profit and loss account:					
Revenue	997.951	746.060	847.330	360.589	190.679
Gross profit	237.575	233.193	142.580	136.435	77.879
Results from operating activities	86.421	101.384	22.198	18.229	-27.908
Net financials	10.352	-17.361	11.170	19.623	9.409
Results for the year	84.904	74.638	34.342	37.852	-19.046
Balance sheet:					
Balance sheet sum	681.645	743.034	794.169	589.011	451.747
Investments in tangible fixed assets represent	5.877	6.415	1.779	1.429	4.516
Equity	495.318	540.415	465.777	438.225	393.823
Employees:					
Average number of full time employees	151	140	133	124	116
Key figures in %:					
Solvency ratio	72,67	72,73	58,65	74,40	87,18
Return on equity	16,39	14,84	7,60	8,64	-4,84

The calculation of key figures and ratios does in all material respects follow the Danish Association of Finance Analysts' recommendations, and does only in a few respects deviate from recommendations.

The key figures appearing from the survey have been calculated as follows:

Equity share
$$\frac{\text{Equity, closing balance} \times 100}{\text{Assets in total, closing balance}}$$

Return on equity
$$\frac{\text{Results for the year} \times 100}{\text{Average equity}}$$

Management's review

The principal activities of the company

ORIGIO has since summer 2012 been part of the CooperSurgical Companies, which today comprises of global leaders in IVF and reproductive genetics. The CooperSurgical family are working together to provide innovative products and services for every step in the ART journey (Assisted Reproductive Technology).

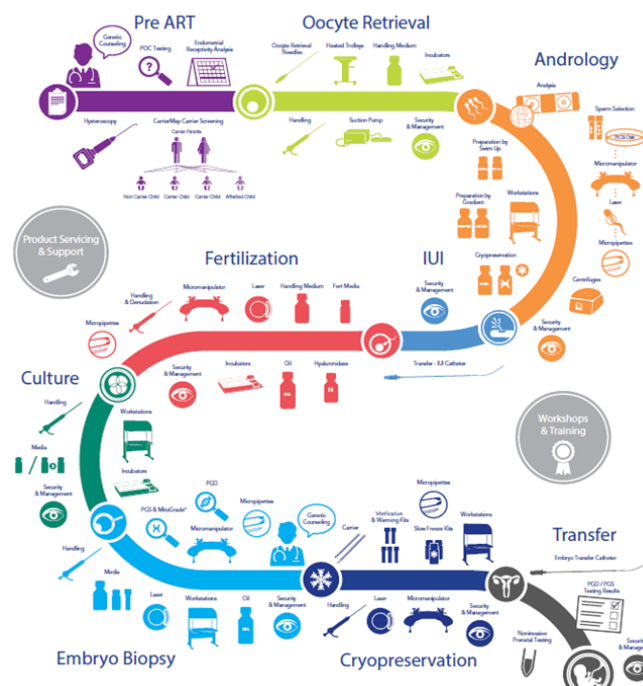
ORIGIO a/s was established in 1987 and has been a global leader in delivering innovative Assisted Reproductive Technology (ART) solutions. Combining the scientific knowledge with the CooperSurgical fertility companies ORIGIO, Research Instrument, The Pipette Company, K-Systems, and Wallace offer a broad range of trusted systems of consumables, equipment, and technologies for a complete IVF process.

In 2016 Reprogenetics, Recombine and Genesis Genetics joined the CooperSurgical family, and represented the pioneers and global leaders of comprehensive reproductive genetic testing. As CooperGenomicsSM, they are the premier provider of genetic testing for every step of the family planning journey.

Our combined product range includes pipettes, media and andrology products, and dedicated ART equipment, as well as state-of-the-art electronic witnessing system.



Our broad portfolio of products and services are being developed jointly in partnerships with experts and clinics across the globe to improve the ART solutions.



Management's review

To further support the clinics, ORIGIO offers scientific training courses allowing the clinics to optimize the performance, learn new skills and network globally with international peers. ORIGIO's training courses focus on providing evidence-based training by experienced and skilled embryologists. In specific topics such as vitrification, embryo biopsy and sperm selection, experts are invited to ensure a high level of professionalism and quality in the training.

Business review

ORIGIO will continue its focus to further grow and strengthen the strong position in offering best in class products, driving and evolving innovation in line with customer needs. The collaboration between the CooperSurgical Companies and trusted partnerships open doors to extensive possibilities for the future.

ORIGIO's income statement for the year ended October 31, 2019 shows a net profit of DKK 84.904 thousand and the balance sheet as of October 31, 2019, shows an equity of DKK 495.318 thousand. This year's result is consistent with the Management's expectations.

Management is satisfied with the result for the year.

Uncertainties as to recognition or measurement

Determining the carrying amounts of certain assets and liabilities requires an estimate of how future events will affect the value of these assets and liabilities at the balance sheet date. Estimates that are material to the financial statements are made, including in the calculation of depreciation and amortization of intangible and tangible fixed assets, measurement of investments, deferred tax assets and contingent liabilities and assets.

The estimates are based on assumptions that management believes are reasonable but which are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may occur. The Company is also subject to risks and uncertainties that may cause actual results to differ from these estimates.

As part of applying the company's accounting policies, management makes judgments, apart from those involving estimations, that can significantly affect the amounts recognized.

The assessment of impairment of investments are based on expectations of future cash flows of the individual companies. The assessment requires the establishment of assumptions and estimates of future cash flows and discount rate (WACC).

Deferred tax assets are recognized when it is probable that there will be sufficient income in the future, which temporary differences and unused tax losses can be offset in.

Management's review

Development in activities and financial matters

In 2019 it was announced to move the production of media products from Måløv to Costa Rica in October 2021. This is part of a consolidation strategy on the production area within the CooperSurgical Companies. Therefore in 2018/19 financial statements we have recognized an accelerated depreciation expense on production related assets in line with the reduced useful life of the assets.

Last year CooperSurgical Companies initiated a streamlining of ownership of intellectual property rights. This process continued into 2018/19 and additional IP rights have been sold from the company to CooperSurgical Inc. in November 2018.

To strengthen the distribution of goods to customers within the CooperSurgical group a European distribution center have been established in Venlo, Netherlands, in February 2019. The company have therefore sold all inventory to CooperSurgical Inc. except for raw materials and other inventory items related to production of media. This sale of inventory resulted in a one off transaction of DKK 93 million included in revenue.

Special risks

The company's activities and business model involve a number of general and specific commercial and financial risks, which may have negative impacts on its future growth.

Operating risks

Management continues to focus on the most important operational risks and to evaluate the current mitigation plans. Risk assessments are performed on a regular basis.

Financial risks

Developments in the company's results and equity are impacted by a number of financial risks, including foreign exchange risks, however none of them are material for the company. The company has centralized management of financial risks in the company's finance function, as the company is generating substantial turnover in non-DKK based currencies.

The company does not engage in speculative financial transactions.

Research and development activities

A substantial focus on innovation is an integral part of the company's strategy. The company has a portfolio of development projects with the overall aim of improving the key treatment outcome parameter: the-baby-take-home-rate (i.e. the ratio of ART treatments that lead to the optimal outcome; one healthy baby).

Regulations on ART products continue to intensify and the company expects these requirements to further increase in the future. The company has established knowledge and competencies in the regulatory area and is prepared to meet the increased regulatory demand.

Management's review

The expected development

Management anticipates a constantly growing market. The company will continue to focus on increasing sales and leveraging on the economies of scale.

Management expects a positive result for 2019/20.

Events subsequent to the financial year

There have been no events that materially change the assessment of this Annual report 1 November 2018 – 31 October 2019 from the balance sheet date and up to today. We would however like to mention that the ongoing COVID-19 and encouragement from the governments all over the world has an impact on the economy in all markets in the world. Although our business is expected to be fully operational, we expect Origio A/S to be impacted on revenue and earnings, but we cannot quantify this at the moment.

Statement of corporate social responsibility

We conduct all our activities with deep respect for all our stakeholders and have a constant focus on reducing our environmental impact. Currently, no formal social responsibility policies, including impacts on climate, human rights, environment, anti-corruption and bribery and social and staff matters have been implemented at the company level. We have assessed the risks for these areas and taking into consideration that we are operating in countries with strong climate, environmental, human rights, social and anti-corruption regulations, as such there is no need to develop such policies at the current stage.

Looking at 2019/2020, we will keep developing our approach to CSR. In our efforts to take CSR at Origio to the next level, we will listen to our stakeholders' expectations and the needs of the business. We will work with globally adopted Sustainable Development Goals and look at how we as a responsible global women's healthcare company can help solve the challenges facing the world our customers live in.

We plan to build on the following four strategic CSR pillars:

- **Environment & Safety**
We aim to minimize our environmental impact through continuous improvement activities and adherence to international standards.
- **People & Health**
The skills and competences of our global workforce are some of our most important assets, and we will therefore not compromise the human and labor rights or the occupational health and safety of our employees. We continuously work to provide a safe and healthy working environment for Origio people, regardless of where they work.
- **Compliance & Ethics**
As a responsible women's healthcare company, it is important for us to uphold high ethical standards. Together with our values - Integrity, Customer Focus, Innovation, Passion & Adaptability - the Origio Code of Conduct provides clear guidance for our behavior and the way we do business.

Management's review

- Partnerships & Collaborations

Origio is committed to engaging in partnerships and collaborations that can potentially improve the lives of patients. We partner with universities, research organizations and patient associations to gain insights into treatments and the women having the need for them in order to enhance the developments of treatment solutions that will improve women's lives.

Within each of these pillars, we will identify focus areas and goals to ensure progress in 2019/2020.

Target figures and policies for the under-represented sex

The company strives to become a workplace characterized by diversity, where multiplicity is accepted and thrives to the benefit of all. The company believes that a focused effort to ensure diversity will strengthen the organization and the competitive position.

For 2018/19, there are 4 members of the Board and these are all males. Last year we set a target to equal the share of females and hire 1 female by 2022 as we have strong focus on diversity. The company has reached the target in 2020 where Graceann Pisano will substitute Randal Louis Golden in the Supervisory Board.

The other management level, beyond the board, is gender-balanced.

Income statement 1 November - 31 October

DKK in thousands.

<u>Note</u>	<u>2018/19</u>	<u>2017/18</u>
2 Revenue	997.951	746.060
Other operating income	19.016	81.478
Raw materials and consumables used	-628.832	-416.309
Other external costs	-150.560	-178.036
Gross results	237.575	233.193
3 Staff costs	-140.638	-114.060
Amortizations/depreciation and write-downs	-10.516	-17.749
Operating profit	86.421	101.384
5 Other financial income	10.797	20.106
Writedown relating to financial assets	0	-33.200
6 Other financial costs	-445	-4.267
Results before tax	96.773	84.023
7 Tax of the results for the year	-11.869	-9.385
8 Results for the year	84.904	74.638

Balance sheet 31 October

DKK in thousands.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Assets		
Fixed assets		
9 Licences, patents and trademarks	3.658	87.770
9 Goodwill	0	0
Intangible fixed assets in total	<u>3.658</u>	<u>87.770</u>
10 Property	61.759	62.874
10 Plant and machinery	3.949	4.797
10 Other fixtures and fittings, tools and equipment	12.315	14.235
Tangible fixed assets in total	<u>78.023</u>	<u>81.906</u>
11 Shares in group companies	204.373	204.373
12 Amounts owed by group companies	16.656	16.303
13 Deferred tax asset	18.760	14.020
Financial fixed assets in total	<u>239.789</u>	<u>234.696</u>
Fixed assets in total	<u>321.470</u>	<u>404.372</u>
Current assets		
Inventories	47.100	153.554
Inventories in total	<u>47.100</u>	<u>153.554</u>
Trade receivables	103.011	75.915
Receivables from group companies	72.413	48.976
14 Other receivables	77.282	8.888
15 Prepayments	33.094	38.538
Receivables in total	<u>285.800</u>	<u>172.317</u>
Cash and cash equivalents	27.275	12.791
Current assets in total	<u>360.175</u>	<u>338.662</u>
Assets in total	<u>681.645</u>	<u>743.034</u>

Balance sheet 31 October

DKK in thousands.

<u>Note</u>	<u>2019</u>	<u>2018</u>
Equity and liabilities		
Equity		
Share capital	162.703	162.703
Retained earnings	332.615	247.712
Proposed dividend	0	130.000
Equity in total	<u>495.318</u>	<u>540.415</u>
Liabilities		
Payables to group companies	0	36.563
16 Other long-term liabilities	<u>0</u>	<u>959</u>
Long-term liabilities in total	<u>0</u>	<u>37.522</u>
17 Deferred income	5.601	6.670
Trade payables	17.621	28.278
Payables to group companies	94.079	94.854
18 Other payables	<u>69.026</u>	<u>35.295</u>
Short-term liabilities in total	<u>186.327</u>	<u>165.097</u>
Liabilities in total	<u>186.327</u>	<u>202.619</u>
Equity and liabilities in total	<u>681.645</u>	<u>743.034</u>

1 Subsequent events

19 Contingencies

20 Financial risks

21 Related parties

Statement of changes in equity

DKK in thousands.

*There has been no changes to share capital for the past 5 years

	<u>Share capital*</u>	<u>Retained earnings</u>	<u>Proposed dividend for the financial year</u>	<u>In total</u>
Equity 1 November 2018	162.703	247.711	130.000	540.414
Distributed dividend	0	0	-130.000	-130.000
Profit or loss of the year	0	84.904	0	84.904
	162.703	332.615	0	495.318

Accounting policies used

The annual report for Origio A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class C enterprises (large enterprises).

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

No consolidated annual accounts have been prepared, cf. section 112(1) of the Danish Financial Statements Act. The annual accounts of Origio A/S and its group enterprises are included in the consolidated annual accounts for Cooper Surgical Inc.

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement for the enterprise has been prepared, as the relevant information is included in the consolidated annual accounts of Cooper Surgical Inc.

Recognition and measurement in general

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Company, and the asset can be measured reliably.

Liabilities are recognized in the balance sheet when the Company has a legal or constructive obligation as a result of a prior event, and it is probable that the future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Income is recognized in the income statement when earned, whereas costs are recognized by the amounts attributable to this financial year.

Translation of foreign currency

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Debtors, creditors, and other monetary items in foreign currency are translated by using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or the recognition in the latest annual accounts of the amount owed or the liability is recognised in the profit and loss account under financial income and expenses.

Fixed assets and other non-monetary assets acquired in foreign currency and which are not considered to be investment assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

Accounting policies used

Income statement

Revenue

Revenue is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. Revenue is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Raw materials and consumables used

Raw materials and consumables used comprises direct and indirect costs incurred to earn revenue.

Other operating income

Other operating income comprise accounting items of secondary nature in proportion to the principal activities of the enterprise.

Other external costs

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation, amortisation and writedown for the year and gains and losses on disposal of intangible and tangible fixed assets.

Net financials

Net financials comprise interest income and expenses and gain/loss of sale of investments and transactions in foreign currencies. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Dividend from equity investments in group enterprises is recognised in the financial year where the dividend is declared.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

Accounting policies used

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

Balance sheet

Intangible fixed assets

Licence, patents and trademarks

Licence, patents and trademarks are measured at costs less accumulated amortization and impairment losses. Patents are amortized on a straight-line basis over the remaining life of the patent, and licenses are amortized over the contract period, however not exceeding 5 years.

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal.

Goodwill

Goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Goodwill is amortised on a straight-line basis over the amortisation period, which is 5 years. The amortisation period is determined on the basis of an expected payback period.

Tangible fixed assets

Land and buildings are measured at cost with addition of revaluations and with deduction of accrued depreciation and writedown. Land is not depreciated.

The basis of depreciation is cost with the addition of revaluations at fair value and with the deduction of expected residual value after the end of the useful life of the asset. The depreciation period is fixed at the acquisition date and re-evaluated annually. If the residual value exceeds the book value of the asset, the depreciation expires.

Reversal of previous revaluations and recognised deferred taxes concerning revaluations are recognised directly in the company's equity.

Other tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Accounting policies used

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life :

	Useful life
Property	20-30 years
Plant and machinery	15-30 years
Other fixtures and fittings, tools and equipment	3-10 years

In 2019 it was announced to move the production of media products from Måløv to Costa Rica in October 2021. This is part of a consolidation strategy on the production area within the CooperSurgical Companies. Therefore in 2018/19 financial statements we have recognized an accelerated depreciation expense on production related assets in line with the reduced useful life of the assets.

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or loss is recognised in the income statement under depreciation.

Writedown of fixed assets

The book values of both intangible and tangible fixed assets as well as equity investments in subsidiaries and associated enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets respectively. Writedown takes place to the recoverable amount, if this value is lower than the book value.

The recoverable value is equal to the value of the net selling price or the value in use, whichever is higher. The value in use is determined as the present value of the expected net cash flow deriving from the use of the asset or the group of assets.

Previously recognised writedown is reversed when the condition for the writedown no longer exist. Writedown relating to goodwill is not reversed.

Financial fixed assets

Shares in group companies

Equity investments in group enterprises are measured at cost. In case the recoverable amount is lower than the cost, writedown takes place to this lower value.

Accounting policies used

Gains or losses on disposal of subsidiaries are stated as the difference between the sales amount and the carrying amount of net assets at the date of disposal and anticipated disposal costs.

Acquisitions of enterprises are accounted for using the acquisition method, according to which the identifiable assets and liabilities acquired are measured at their fair values at the date of acquisition. Provision is made for costs related to adopted an announced plans to restructure the acquired enterprise in connection with the acquisition. The tax effect of the restatement of assets and liabilities is taken into account.

In connection with business combinations such as acquisition and disposal of equity investments, mergers, demergers, addition of assets and exchange of shares, etc., involving enterprises controlled by the parent company, the uniting-of-interests method is used. Differences between the agreed consideration and the carrying amount of the acquired enterprise are recognized in equity. Moreover, comparative figures for previous financial years are restated.

Inventories

Inventories are measured at cost on basis of the FIFO method. In case the net realisable value of the inventories is lower than the cost, writedown takes place to this lower value.

The cost for trade goods, raw materials, and consumables comprises the acquisition cost with the addition of the delivery costs.

The cost for manufactured goods and works in progress comprises the cost for raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance of and depreciation on machinery, factory buildings and equipment applied during the production process, and costs for factory administration and factory management. Borrowing costs are not recognised in cost.

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

Receivables

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Accounting policies used

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under the equity. Proposed dividend is recognised as a liability at the time of approval by the general meeting (the time of declaration).

Liabilities

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Notes

DKK in thousands.

1. Subsequent events

The ongoing COVID-19 virus has an impact on the world economy and our operating markets. Although our business is expected to be fully operational, we expect Origio A/S to be impacted on revenue and earnings, but we cannot quantify this at the moment. It is therefore our assessment that there have been no events that materially change the assessment of this Annual report 1 November 2018 – 31 October 2019 from the balance sheet date and up to today.

2. Revenue

Origio A/S has activities in the segment for the promotion and sale of products within the women's healthcare industry. With reference to the provisions of section 96 of the Danish Financial Statements Act, the Executive Board has omitted information about the distribution of net sales on geographic markets, as the statements may cause significant damage to the company due to special considerations.

3. Staff costs

	<u>2018/19</u>	<u>2017/18</u>
Salaries and wages	130.993	105.378
Pension costs	8.448	7.849
Other staff costs	<u>1.197</u>	<u>833</u>
	<u>140.638</u>	<u>114.060</u>
Average number of employees	<u>151</u>	<u>140</u>

For 2018/2019, pursuant to section 98b of the Danish Financial Statements Act, the remuneration of the executive board is not disclosed. For 2017/2018 staff costs include remuneration of the Company's Executive Board DKK 6,277 thousand, pensions DKK 368 thousand. The Supervisory Board members as well as one Executive Board member do not receive remuneration from Origio A/S during financial year.

4. Fees to Auditor appointed at the general meeting

Statutory Audit	<u>420</u>	<u>500</u>
	<u>420</u>	<u>500</u>

Notes

DKK in thousands.

	<u>2018/19</u>	<u>2017/18</u>
5. Other financial income		
Interest, banks	41	0
Interest income from group companies	12	90
Dividend from subsidiaries	9.905	20.016
Exchange differences	839	0
	<u>10.797</u>	<u>20.106</u>
6. Other financial costs		
Interest expenses	445	2.810
Exchange differences	0	1.457
	<u>445</u>	<u>4.267</u>
7. Tax of the results for the year		
Tax of the results for the year	16.609	6.539
Adjustment for the year of deferred tax	-4.740	2.846
	<u>11.869</u>	<u>9.385</u>
8. Proposed distribution of the results		
Dividend for the financial year	0	130.000
Allocated to results brought forward	84.904	0
Allocated from results brought forward	0	-55.362
Distribution in total	<u>84.904</u>	<u>74.638</u>

There has been no changes to share capital for the past 5 years.

Notes

DKK in thousands.

9. Intangible assets

	<u>Licence, patents and trademarks</u>	<u>Goodwill</u>
Cost 1 November 2018	119.866	3.509
Beginning adjustments	-912	0
Addition	436	0
Disposals	-97.818	0
Cost 31 October 2019	<u>21.572</u>	<u>3.509</u>
Amortization 1 November 2018	32.096	3.509
Beginning adjustments	-623	0
Amortization in the year	1.182	0
Disposals	-14.741	0
Depreciation 31 October 2019	<u>17.914</u>	<u>3.509</u>
Carrying amount 31 October 2019	<u>3.658</u>	<u>0</u>

10. Property, plant and equipment

	<u>Property</u>	<u>Plant and machinery</u>	<u>Other fixtures and fittings, tools and equipment</u>
Cost 1 November 2018	180.269	13.422	38.800
Addition	2.605	0	3.272
Disposals	-1.341	-187	-1.178
Cost 31 October 2019	<u>181.533</u>	<u>13.235</u>	<u>40.894</u>
Depreciation 1 November 2018	117.394	8.625	24.564
Depreciation in the year	2.675	781	4.420
Disposals	-295	-120	-405
Depreciation 31 October 2019	<u>119.774</u>	<u>9.286</u>	<u>28.579</u>
Carrying amount 31 October 2019	<u>61.759</u>	<u>3.949</u>	<u>12.315</u>

Notes

DKK in thousands.

	<u>31/10 2019</u>	<u>31/10 2018</u>
11. Shares in group companies		
Cost 1 November 2018	231.619	235.976
Additions during the year	0	9.054
Disposals during the year	0	-13.411
Cost 31 October 2019	<u>231.619</u>	<u>231.619</u>
Revaluations, opening balance 1 November 2018	-27.246	0
Impairment write-downs	0	-27.246
Writedown 31 October 2019	<u>-27.246</u>	<u>-27.246</u>
Carrying amount 31 October 2019	<u>204.373</u>	<u>204.373</u>

The financial highlights for the enterprises according to the latest approved annual reports

DKK in thousands	Share of ownership	Equity	Results for the year	Book value at Origio A/S
ORIGIO Australia Pty. Ltd., Australia	100 %	14.322	1.507	11.976
ORIGIO B.V., The Netherlands	100 %	8.054	738	12.161
ORIGIO Benelux B.V., The Netherlands	100 %	12.149	387	7.508
MediCult China Ltd., Hong Kong	100 %	25.730	1.154	0
ORIGIO France S.a.r.l., France	100 %	9.721	1.034	5.260
ORIGIO GmbH, Germany	100 %	4.218	194	9.961
ORIGIO Italia S.R.L., Italy	100 %	11.628	1.362	17.587
ORIGIO LLC, Russia	100 %	18.046	14.961	15.124
Origio Cooper LLC, Russia	100 %	6.515	2.020	244
ORIGIO Ltd., UK	100 %	12.064	1.549	10.953
Trivector ORIGIO Scientific Pty. Ltd., India	100 %	33.013	9.360	76.683
ORIGIO MediCult España S.L., Spain	100 %	16.492	1.219	32.955
ORIGIO Japan K.K., Japan	100 %	8.963	2.147	3.211
Aktieselskabet af 20.november 2003, Ballerup	100 %	-11	90	750
		<u>180.904</u>	<u>37.722</u>	<u>204.373</u>

Notes

DKK in thousands.

	<u>31/10 2019</u>	<u>31/10 2018</u>
12. Amounts owed by group companies		
Cost 1 November 2018	16.303	16.303
Additions during the year	<u>353</u>	<u>0</u>
Cost 31 October 2019	<u>16.656</u>	<u>16.303</u>
Carrying amount 31 October 2019	<u>16.656</u>	<u>16.303</u>
Which can be specified thus:		
ORIGIO Japan K.K.	<u>16.656</u>	<u>16.303</u>
	<u>16.656</u>	<u>16.303</u>
13. Deferred tax asset		
Deferred tax asset at 1 November 2018	14.020	16.362
Adjustment to opening balance	0	504
Deferred tax change for the year	<u>4.740</u>	<u>-2.846</u>
Deferred tax asset at 31 October 2019	<u>18.760</u>	<u>14.020</u>
Carrying amount 31 October 2019	<u>18.760</u>	<u>14.020</u>
Which can be specified thus:		
Deferred tax asset	<u>18.760</u>	<u>14.020</u>
	<u>18.760</u>	<u>14.020</u>
Tax losses allowed for carry forward amounts to DKK 0 thousand.		
It is expected that DKK 4,848 thousand of the deferred tax recognised at 31 October 2019 will be realised in a few years. DKK 13,912 thousand relates to buildings and will be realised as current tax in 21 years at the latest.		
14. Other receivables		
Receivable VAT	75.579	6.391
Deposits	569	895
Others	<u>1.134</u>	<u>1.602</u>
	<u>77.282</u>	<u>8.888</u>

Notes

DKK in thousands.

	<u>31/10 2019</u>	<u>31/10 2018</u>
15. Prepayments		
Vendor receivables	16.945	26.666
Others	<u>16.149</u>	<u>11.872</u>
	<u>33.094</u>	<u>38.538</u>
16. Other long-term liabilities		
Provisions	<u>0</u>	<u>959</u>
	<u>0</u>	<u>959</u>
17. Deferred income		
Deferred income comprise shipments where our revenue criteria are not met and prepayments from customers.		
18. Other payables		
Holiday accruals	16.884	11.466
Income tax payable	16.614	6.939
Other staff related accruals	24.935	8.821
Accrued expenses	2.229	2.118
Other	<u>8.364</u>	<u>5.951</u>
	<u>69.026</u>	<u>35.295</u>
19. Contingencies		
Operating leasing obligations		
		DKK in thousands
Operating leasing liabilities		<u>1.115</u>
Contingent liabilities in total		<u>1.115</u>
Comprising:		
Leasing contributions due within 1 year		<u>737</u>
Leasing contributions due between 1 and 5 years		<u>378</u>

Notes

DKK in thousands.

19. Contingencies (continued)

Joint taxation

Research Instruments Ltd. being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

The jointly taxed enterprises' total, known net liability to the Danish tax authorities appears from the annual accounts of the administration company.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.

20. Financial risks

Currency and interest rate risk

The company is not exposed for any material currency- or interest risks. The Majority of the business transactions and loan agreements are made in DKK or EUR. The value of interest payments are not material for the company.

21. Related parties

The Company's related parties are the parent company, subsidiaries and other companies of the same group as well as members of the Executive Board and the Supervisory Board.

Controlling interest

The following related parties have a controlling interest in ORIGIO A/S:

Name: Research Instruments Ltd. UK

Basis of influence: Owner, 100%

Notes

DKK in thousands.

Controlling interest (continued)

Transactions

Transactions during the year with our related parties:

	<u>2018/19</u>
Revenue and income from related parties	
Revenue from	325.266
<i>Other related parties</i>	165.575
<i>Subsidiaries</i>	159.675
<i>Parent company</i>	16
Management fee income from	197.463
<i>Other related parties</i>	197.395
<i>Subsidiary</i>	68
Interest income from	12
<i>Subsidiaries</i>	12
Dividend income from	9.905
<i>Subsidiaries</i>	9.905
Other income from	23.820
<i>Other related parties</i>	23.820
Purchases and other expenses from related parties	
Purchase from	491.055
<i>Other related parties</i>	451.369
<i>Subsidiaries</i>	5.509
<i>Parent company</i>	34.177
Management fee expenses from	33.568
<i>Other related parties</i>	33.568
Other expenses from	5.495
<i>Other related parties</i>	4.616
<i>Subsidiaries</i>	787
<i>Parent company</i>	91

Notes

DKK in thousands.

Balance at year end with our related parties:

Related party balances	
Long term loan receivables from	16.656
<i>Subsidiaries</i>	16.656
Account receivables from	72.413
<i>Other related parties</i>	30.881
<i>Subsidiaries</i>	41.384
<i>Parent company</i>	147
Account payables	94.079
<i>Other related parties</i>	83.793
<i>Subsidiaries</i>	869
<i>Sister companies</i>	9.417

Consolidated annual accounts

The consolidated financial statement of The Cooper Companies can be found on the following homepage: <http://investor.coopercos.com/sec.cfm?view=all>